

What is claimed is:

--1. A method for optimizing collection of money from skip accounts, comprising:

- 5 receiving data of a first skip account;
- applying the data of the first skip account to a predictive model, the predictive model being associated with an account tracing entity and operable to generate an output indicative of an expected recovery amount from the first skip account; and
- 10 determining a course of action based on the output from application of the predictive model.

2. The method according to claim 1, wherein the predictive model includes a probability model that generates an output indicative of the likelihood of locating the first skip account from the account tracing entity.

3. The method according to claim 2, wherein the output of the probability model is reduced according to a number of other

20 account tracing entities which previously failed to locate the first skip account.

4. The method according to claim 3, wherein the reduced output equals the output of the probability model times a degradation factor.

5 5. The method according to claim 2, wherein the predictive model further includes:

a first liquidation model that generates an output indicative of an expected recovery amount from the first skip account if the account tracing entity correctly locates the first skip account; and

a second liquidation model that generates an output indicative of an expected recovery amount from the first skip account if the account tracing entity fails to locate the first skip account.

6. The method according to claim 2, wherein the predictive model further includes:

a third liquidation model that generates an output indicative of an expected recovery amount from the first skip account if no action is taken to locate the first skip account through the account tracing entity.

7. The method according to claim 2, wherein the probability model is derived by performing a regression analysis on past

data of a plurality of skip accounts and the success or failure of locating the plurality of skip accounts by the account tracing entity.

5 8. The method according to claim 5, wherein the first and second liquidation models are CHAID models that are derived from an analysis of past data of a plurality of skip accounts and the success or failure of locating the plurality of skip accounts by the account tracing entity.

10 9. The method according to claim 1, wherein the predictive model includes:

15 a probability model that generates an output indicative of the likelihood of locating the first skip account from the account tracing entity;

a first liquidation model that generates an output indicative of an expected recovery amount from the first skip account if the account tracing entity correctly locates the first skip account;

20 a second liquidation model that generates an output indicative of an expected recovery amount from the first skip account if the account tracing entity fails to locate the first skip account; and

a third liquidation model that generates an output indicative of an expected recovery amount from the first skip account if no action is taken to locate the first skip account through the account tracing entity.

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10. The method according to claim 1, wherein the output of the predictive model represents:

Revenue (Skip) - Revenue (BAU),

wherein Revenue (Skip) represents a net revenue expected to be collected from the first skip account if the account tracing entity is used to locate the account, and

Revenue (BAU) represents a net revenue expected to be collected from the first skip account if no action is taken to locate the first skip account through the account tracing entity.

11. The method according to claim 10, wherein

Revenue (Skip) is of the form:

Revenue (Found) + Revenue (Not Found) - Cost (Search)
- Cost (Collect Skip),

wherein

Revenue (Found) represents a revenue amount expected to be collected if the account tracing entity correctly locates the first skip account,

Revenue (Not Found) represents a revenue amount expected to be collected if the account tracing entity fails to locate the first skip account,

Cost (Search) represents a cost of locating the first skip account through the account tracing entity,

Cost (Collect Skip) represents a cost of collecting from the first skip account, and

Revenue (BAU) is of the form:

Revenue (BAU) - Cost (Collect BAU),

wherein

Revenue (BAU) represents a revenue amount expected to be collected if no action is taken to locate the first skip account through the account tracing entity, and

Cost (Collect BAU) represents a cost of collecting from the first skip account if no action is taken to locate the first skip account through the account tracing entity.

12. The method according to claim 1, wherein the step of determining a course of action includes determining that the first skip account is to be sent to a collection agency if the output of the predictive model indicates that the expected recovery amount from the first skip account is negative.

13. The method according to claim 1, wherein:

the predictive model is derived from an analysis of past data of a plurality of skip accounts; and

the past data includes data related to one or more of the following variables: location, payment history, balance, FICO score and credit limit.

14. A method for optimizing collection of money from skip accounts, comprising:

obtaining past data related to a plurality of skip accounts and to the success or failure of locating the plurality of skip accounts by a plurality of account tracing entities;

processing the past data to derive a predictive model for each of the plurality of account tracing entities;

receiving data of a first skip account;

applying the data of the first skip account to the predictive models to generate a plurality of outputs, each output being associated with a corresponding account tracing entity and being indicative of an expected recovery amount by using a corresponding account tracing entity to locate the first skip account; and

determining a course of action based on the generated outputs of the predictive models.

15. The method according to claim 14, wherein the step of determining a course of action includes sending the first skip account to the account tracing entity whose corresponding predictive model output is the highest and positive.

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16. The method according to claim 15, further comprising:

repeating the steps of receiving the data, applying the data and determining a course of action if the account tracing entity whose corresponding predictive model output is the highest and positive fails to locate the first skip account.

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17. The method according to claim 14, wherein the step of determining a course of action includes sending the first skip account to a collection agency if each of the outputs is negative.

18. The method according to claim 14, wherein the predictive model for each account tracing entity includes a probability model that generates an output indicative of the likelihood of locating the first skip account from the each account tracing entity.

19. The method according to claim 14, wherein the predictive model for each account tracing entity further includes:

a first liquidation model that generates an output indicative of an expected recovery amount from the first skip account if the each account tracing entity correctly locates the first skip account; and

5 a second liquidation model that generates an output indicative of an expected recovery amount from the first skip account if the each account tracing entity fails to locate the first skip account.

10 20. The method according to claim 14, wherein the predictive model further includes:

15 a third liquidation model that generates an output indicative of an expected recovery amount from the first skip account if no action is taken to locate the first skip account through the each account tracing entity.

21. The method according to claim 15, wherein the predictive model is derived by performing a regression analysis on the past data.

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22. The method according to claim 19, wherein the first and second liquidation models are CHAID models that are derived from an analysis of the past data.

23. The method according to claim 20, wherein the third liquidation model is a CHAID model that is derived from an analysis of the past data.

5 24. The method according to claim 14, wherein the predictive model for each skip tracing entity includes:

a probability model that generates an output indicative of the likelihood of locating the first skip account from the each account tracing entity;

10 a first liquidation model that generates an output indicative of an expected recovery amount from the first skip account if the each account tracing entity correctly locates the first skip account;

15 a second liquidation model that generates an output indicative of an expected recovery amount from the first skip account if the each account tracing entity fails to locate the first skip account; and

20 a third liquidation model that generates an output indicative of an expected recovery amount from the first skip account if no action is taken to locate the first skip account through the each account tracing entity.

25. A system for optimizing collection of money from skip accounts, comprising:

a processor operable to execute programs;

memory coupled to the processor;

10 a predictive model stored in the memory and associated with
an account tracing entity, the predictive model being operable
5 to process data of a first skip account to generate an output
indicative of an expected recovery amount from the first skip
account; and

10 an analysis program stored in the memory and executable by
the processor, the analysis program being operable to determine
a course of action based on the output of the predictive model.

26. The system according to claim 25, wherein the predictive
model includes a probability model that generates an output
indicative of the likelihood of locating the first skip account
15 from the account tracing entity.

27. The system according to claim 26, wherein the predictive
model further includes:

20 a first liquidation model that generates an output
indicative of an expected recovery amount from the first skip
account if the account tracing entity correctly locates the
first skip account; and

a second liquidation model that generates an output
indicative of an expected recovery amount from the first skip

account if the account tracing entity fails to locate the first skip account.

28. The system according to claim 26, wherein the predictive

5 model further includes:

a third liquidation model that generates an output indicative of an expected recovery amount from the first skip account if no action is taken to locate the first skip account through the account tracing entity.

10 29. The system according to claim 26, wherein the probability model is derived by performing a regression analysis on past data of a plurality of skip accounts and the success or failure of locating the plurality of skip accounts by the account
15 tracing entity.

20 30. The system according to claim 27, wherein the first and second liquidation models are CHAID models that are derived from an analysis of past data of a plurality of skip accounts and the success or failure of locating the plurality of skip accounts by the account tracing entity.

31. The system according to claim 28, wherein the third liquidation model is a CHAID model that is derived from an analysis of past data.

5 32. A computer readable storage medium containing instructions for causing a computer system to optimize collection of money from skip accounts, by:

receiving data of a first skip account;

10 33. Applying the data of the first skip account to a predictive model, the predictive model being associated with an account tracing entity and operable to generate an output indicative of an expected recovery amount from the first skip account; and

15 determining a course of action based on the output from application of the predictive model.

20 34. The computer readable medium according to claim 32, wherein the predictive model includes a probability model that generates an output indicative of the likelihood of locating the first skip account from the account tracing entity.

35 35. The computer readable medium according to claim 32, wherein the predictive model includes:

a probability model that generates an output indicative of the likelihood of locating the first skip account from the account tracing entity;

5 a first liquidation model that generates an output indicative of an expected recovery amount from the first skip account if the account tracing entity correctly locates the first skip account;

10 a second liquidation model that generates an output indicative of an expected recovery amount from the first skip account if the account tracing entity fails to locate the first skip account; and

15 a third liquidation model that generates an output indicative of an expected recovery amount from the first skip account if no action is taken to locate the first skip account through the account tracing entity.